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Carlos J. Cuevas

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
POUGHKEEPSIE DIVISION

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In re

Chapter 7

SEAN DUNN,

Case No. 18-36566(KYP)

Debtor.

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DECLARATION OF BRANDON LANG, C.P.A.

BRANDON LANG, declares under penalty of perjury pursuant to the laws of the United States, Judicial Code Section 1746, that the following is true and correct:

1. I am the managing partner in Lang & Co. CPAs LLP ("Lang CPAs"). Unless otherwise stated, I have personal knowledge of the facts contained in this declaration.
2. I am a Certified Public Accountant. I have a business degree with a minor in accounting from Marist College.
3. I have worked in the accounting field for six years.
4. Lang CPAs is a small accounting firm that specializes in tax preparation.
5. I have either prepared or supervised the preparation of over 2000 federal personal and corporate tax returns.

6. As the managing partner of Lang CPAs, I deal with the Internal Revenue Code and Regulations on a daily basis. As part of my continuing professional education, I continually study the Internal Revenue Code and Regulations.
7. An important component of preparing business tax returns is knowing I.R.S. regulations concerning an I.R.S. 1099 form. I am familiar with the I.R.S. regulations that pertain to the issuance I.R.S. 1099 form.
8. The I.R.S. does not independently issue Form 1099.
9. Rather, the entity that paid the compensation to the taxpayer issues the 1099 form and file a 1096 form reflecting the 1099 form that it issued.
10. I have reviewed the documents listed in Exhibit A.
11. Based upon my knowledge of the Internal Revenue Code and Regulations and the documents listed in Exhibit A, it is my professional opinion that LAK3, LLC issued the LAK3, LLC 2019 1099 Form to the Debtor.
12. The following are the reasons for my professional opinion that LAK3, LLC issued the LAK3, LLC 2019 1099 form to the Debtor.
13. It is fundamental tax law and procedure that the IRS does not issue a 1099 form. Rather, it is the entity that paid the compensation to the 1099 form recipient that generated the 1099 form.
14. The LAK3 2019 1099 form issued to the Debtor unequivocally states that the payer is LAK3. The LAK3 2019 1099 Form issued to the Debtor lists LAK3's federal identification number and address.

15. Equally important, LAK3 issued a corrected 1099 form for tax year 2019 to the Debtor.

LAK3 issued a corrected form 1099 for tax year 2019 to correct an erroneous 1099 Form for tax year 2019 that it had previously issued to the Debtor.

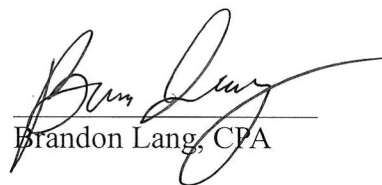
16. It is my professional opinion that LAK3 issued the erroneous LAK 2019 1099 form to the Debtor is further buttressed by the responses to the parties' subpoenas and correspondence by the IRS. The IRS' responses unequivocally reflect that the issuer of the erroneous LAK3 2019 1099 form is LAK3. No other entity is listed as the payer on the LAK3 2019 1099 Form issued to the Debtor.

17. It appears that LAK3 had a pattern and practice of issuing erroneous 1099 forms to the Debtor because it retracted 1099 forms that it issued to the Debtor for 2016, 2017 and 2019, which is highly suspect and unusual.

18. The issuance of an erroneous Form 1099 containing \$322,868.00 of mistaken income is disastrous for the recipient. Until the erroneous 1099 form is rectified the recipient is responsible for paying taxes on the \$322,868.00 non-existent income. The recipient of an erroneous 1099 form is subject to interest and penalties for income that he or she never received. Until the erroneous 1099 form is rectified, the recipient of an erroneous 1099 form is subject to enforcement action by the IRS, including liens and levies. Equally income, 1099 income is usually subject to self-employment taxes, which could include a 35%-40% tax rate.

19. To rectify a bogus 1099 form, a recipient of a bogus 1099 form usually must retain an accountant or attorney to rectify the bogus 1099 form, which could be costly and time consuming.

Dated: Yonkers, New York
March 31, 2025



Brandon Lang, CFA